

COOS BAY-NORTH BEND WATER BOARD
P O BOX 539 – 2305 Ocean Boulevard
Coos Bay, Oregon 97420

Minutes
Regular Board Meeting

7:00 a.m.
July 16, 2015

Coos Bay-North Bend Water Board met in open session in the Board Room at the above address, date, and time with Chair Cribbins presiding. Other Board members present: Dr. Charles Sharps, Richard Vigue, and Greg Solarz. Board members absent: None. Water Board staff present: Rob K. Schab, General Manager; Ron Hoffine, Operations Director; Matt Whitty, Engineering Supervisor; Rick Abbott, Distribution Supervisor; Bryan Tichota, Customer Relations Supervisor; Jim Kaylor, Treatment Plant Supervisor; and Karen Parker, Administrative Assistant. Board Legal Counsel Jim Coffey was present. Aaron Speakman of The Dyer Partnership was present. Media present: None. Chair Cribbins opened the meeting at 7:00 a.m.

Chair Cribbins asked if there were any corrections or additions to the July 2, 2015 Regular Board meeting minutes. Dr. Sharps moved the minutes be approved as written. The motion was seconded by Mr. Solarz and passed unanimously.

Chair Cribbins asked if there were any public comments, and there were none.

Distribution Supervisor Rick Abbott presented staff's request to solicit bids for two pickup trucks, a crew truck, equipment trailer and tack trailer. He said these would be purchased in accordance with the Vehicle Replacement Program (VRP). The current fiscal year's budget includes \$23,000 for one new pickup truck (compact 2 WD extended cab) for use by the meter readers. It would replace Truck #7 which is eight years old. The amount of \$25,000 is included in the current budget for a ½ ton 4 WD extended cab for use in the Engineering section. It would replace Truck #8 which is also 8 years old. The third vehicle is a 1 ¼ ton 4WD regular cab truck with utility box for use in the Distribution section. It would replace Truck #5 which is ten years old. The amount of \$63,800 is included in the current fiscal year's budget for this crew truck. Staff proposes to solicit bids from Coos Bay and North Bend dealers only and compare them with the price offered by the Oregon Cooperative Purchasing Program. Mr. Vigue asked if Truck # 5 would be replaced with a diesel truck. Mr. Abbott stated the utility has not purchased a diesel, however it would add more value. Staff will research this.

The current fiscal year's budget includes \$25,000 for an equipment trailer, Towmaster T40 tilt bed, for use to transport equipment by the Distribution Section, and the amount of \$16,500 has been budgeted this fiscal year for a tack trailer, Leeboy 150 Asphalt Distributor, for asphalt patching by the Distribution Section. This would be a new addition to the utility's fleet.

Mr. Abbott said the utility budgets \$95,000 each year toward the Vehicle Replacement Program (VRP). Purchases less than \$95,000 increase the carryover VRP reserve. The current VRP reserve, including the FY2016 contribution, totals approximately \$310,000. The proposed vehicle and equipment purchases for FY2016 total approximately \$159,000.

In addition, staff proposes to solicit bids for the following non-vehicular equipment in accordance with the Capital Project Budget: 3 Tuff Book laptop computers to be used by the Distribution section for mapping and valve maintenance (current budget includes \$9,000); three compactors for ditch compaction (current budget includes \$9,600); two weed eaters (current budget includes \$1,000); two backflow assemblies used for customers needing water during construction (current budget includes \$4,600); and three scrap metal bins (current budget includes \$2,700).

After a brief discussion, Dr. Sharps moved to approve staff's request to solicit bids for three compactors, three laptop computers, three scrap bins, two weed eaters, and two meter backflow assemblies and present the bids to the Board for consideration of award at a future meeting. The motion was seconded by Mr. Vigue and passed unanimously.

Dr. Sharps moved to approve staff's request to solicit bids for two pickup trucks and one crew truck from Coos Bay and North Bend dealers only; to solicit bids for an equipment trailer and tack trailer and present the bids for consideration of award at a future meeting. The motion was seconded by Mr. Vigue and passed unanimously.

Regarding award of a new lawn tractor, Distribution Supervisor Rick Abbott reviewed the quotes received as follows:

<u>Dealership</u>	<u>Model</u>	<u>Quote Amount</u>
Macks Saw Shop, North Bend	Husqvarna M-Z61 (Kawasaki) with bagger	\$6,191.91
Coquille Supply, Coquille	Husqvarna M-Z61 (Kawasaki) with bagger	\$6,559.00
Diamond Power Equipment, Roseburg	Husqvarna M-Z61 (Kawasaki) with bagger	\$6,859.91
C & M Equipment, Gold Beach	Husqvarna M-Z61 (Kawasaki) with bagger	\$6,192.00

Mr. Abbott said low quote is from Mack's Saw Shop, a local dealer. The current budget includes \$6,500 for this purchase. After a brief discussion, Ms. Cribbins moved to award purchase of a new lawn tractor to Mack's Saw Shop in the amount of \$6,191.91. The motion was seconded by Dr. Sharps and passed unanimously.

Mr. Schab reviewed a letter from Board Attorney Jim Coffey requesting an adjustment in legal fees effective July 1, 2015 based on the Portland CPI percentage. There are sufficient funds in the Fiscal Year 2016 budget for legal expenses to accommodate this increase. Legal fees would be increased by 2.4 percent as follows: Jim Coffey and Mike Stebbins from \$169 to \$173.06/hour; Jane Stebbins from \$158.00 to \$161.80; and paralegal services from \$60.00 to \$61.44. The last attorney fee increase was July 1, 2014. After a brief discussion, Dr. Sharps moved to approve the attorney fee increase as outlined in Mr. Coffey's letter effective July 1, 2015. The motion was seconded by Mr. Solarz and passed with Ms. Cribbins, Mr. Solarz and Dr. Sharps voting in favor, and Mr. Vigue abstaining.

Regarding the proposed Scope and Budget for Fiscal Year 2015-16 Environmental Consulting Services of Sol Coast Consulting and Design, Mr. Schab said it includes three areas: Surface Water Management Plan required by the Forest Service Special Use Permit; certified water rights services and monitoring and report preparation for wildlife, wetland and fisheries managements plans. The proposed budget for these services is in the amount of \$54,384. After a brief discussion, Dr. Sharps moved they approve the scope and budget as presented in an amount not to exceed \$54,384. The motion was seconded by Mr. Solarz and passed unanimously.

Regarding The Dyer Partnership's request for additional engineering fees, Operations Director Ron Hoffine said the Ocean Boulevard Main Replacement Project is complete except for a final change order to the contractor, Laskey-Clifton, and a final application for payment from Laskey. The Dyer Partnership designed and administered the project through its construction and they have exceeded the budget for engineering services. Several significant items impacted the cost over-runs for construction services to include additional inspection time, unanticipated sewer lateral changes, and additional project management spent negotiating with the Contractor. Mr. Hoffine said these items were not foreseen in developing the construction services budget and deserve payment. The Dyer Partnership surpassed their budgeted amount by approximately \$17,000, however The Dyer Partnership is only requesting the sum of \$12,000 to cover these additional engineering fees. After a brief discussion, Dr. Sharps moved to authorize an increase in The Dyer Partnership's engineering services budget by \$12,000. The motion was seconded by Mr. Solarz and passed unanimously.

Water Treatment Plant Supervisor Jim Kaylor reviewed staff's request for proposed repairs of the ammonia valve at Pony Creek Treatment Plant. Anhydrous Ammonia is used in conjunction with gas chlorine to provide a disinfection residual to all water leaving the Pony Creek Treatment Plant. Liquid anhydrous ammonia is purchased from Airgas Specialty Products and stored in a 500 gallon pressure vessel onsite at the Treatment Plant. The existing tank has been in service since 2007. Lease arrangements were discussed with Airgas at that time but were never formalized. Currently, the pressure vessel has a shut-off valve that has a leak and needs to be replaced. Airgas has recommended the remaining five valves on the tank be replaced at this time to help ensure continuous service for future years. Airgas has provided a quote for the leak repair work in the amount of \$13,450.00. Staff is looking into alternatives for ammonia storage including purchasing or leasing the existing 500 gallon tank, or purchasing/leasing a larger tank. Evaluation of these alternatives will take weeks and it is imperative to repair the ammonia leak now. After a brief discussion, Mr. Solarz moved to approve the Anhydrous Ammonia tank repair by Airgas in the amount of \$13,450. The motion was seconded by Mr. Vigue and passed unanimously.

Mr. Kaylor, Water Quality & Training, said in his first 6 weeks as Water Treatment Plant Supervisor and in reviewing the plant and operations, the utility has a very robust water treatment plant. He complimented staff and the Board on the recent upgrades. Mr. Kaylor will be implementing standard benchmarks for treatment plant operations such as how many million gallons each plant operator produces per month, the number of lab tests produced per month, the quantity of water produced for every square foot of filter per filter run. This will create a benchmark to compare to other utilities. In addition, Mr. Kaylor stated another goal to be undertaken will be maintenance procedures and preparing the Operations and Maintenance Manual. The treatment plant is fully staffed with 4 Treatment Plant Operators and a Water Quality Technician. Mr. Kaylor complimented on the highly skilled staff and their care of daily operations at the treatment plant. The Board thanked Mr. Kaylor for his report and again welcomed him to the utility.

Mr. Schab gave an update on the Matson Creek Project stating the Army Corp of Engineers has processed the permit and would soon be issued. The contract has been signed and the contractor, Billeter Marine, has started building the road.

The Board's next regular meeting was set for Thursday, August 6, at 7:00 a.m.

At 7:55 a.m. Chair Cribbins directed they go into executive session for the purposes of discussing personnel issues pursuant to ORS 192.660(2)(a). They returned to open session at 8:50 a.m. There being no other business to come before the Board, Chair Cribbins adjourned the meeting at 8:51 a.m.

Approved: _____, 2015

By: _____
Chair Melissa Cribbins

ATTEST: _____